

Edwards,Michelle

From: Rick Shagley [rshagley@wsfirm.com]
Sent: Monday, August 29, 2016 4:05 PM
To: Azar, George; DeBaun, Curtis; Morris, Don; Auler, Amy; Earl Elliott; Nasser, Karrum; Nation, Todd; Neil Garrison; Crossen, Martha
Cc: Edwards, Michelle; Felling, Darrell; Carla Naum
Subject: Resolution 14, 2016
Attachments: EX B_001.pdf; EX C_001.pdf; IN Code_001.pdf

FILED
AUG 30 2016
CITY CLERK

Dear Members of the City Council:

We filed Resolution 14, 2016 with the City Clerk on August 26, 2016, requesting a tax abatement for rehabilitation and/or redevelopment of certain real estate in the City of Terre Haute, Indiana.

The project proposes to rehabilitate and/or redevelop the property located at 2420 5th Avenue, Terre Haute, Indiana to create a multi-family rental unit consistent of 22 one-bedroom apartments, which will be known as Warren Village, II.

The project also proposes construction of 16 single-family homes to be located on scattered parcels in Terre Haute, Indiana, as noted on Exhibit B. The sites are in the Blight Elimination Program, plus one Brownfield site. Most of the lots are vacant and shall be vacant shortly.

The Resolution was filed in accordance with Indiana Code 6-1.1-12.1-5, which is entitled "Application for deduction for rehabilitation or redevelopment," effective July 1, 2016. I have attached a copy of the law for your review and consideration.

As you will note from the Indiana Code, the application does not require an estimate of the number of individuals who will be employed or whose employment will be retained by the project.

The real estate at 2420 5th Avenue, Terre Haute, Indiana was purchased by the Low Income Housing Development Corporation of Terre Haute, a Petitioner, which is a subsidiary of the Housing Authority. The Low Income Housing Development Corporation of Terre Haute has also entered into a Donation Agreement with the City of Terre Haute Department of Redevelopment, a Petitioner for the 15 scattered sites described on Exhibit B. The Low Income Housing Development Corporation of Terre Haute plans to form a for-profit entity entitled Warren Village II, L.P. The for-profit taxable entity will then develop and operate the projects and the request is being made on behalf of Warren Village II, L.P.

It would appear that this is the first Petition for Real Property Tax Abatement Consideration filed under the terms of this law. I thought that the Council should have some additional information relative to Warren Village II, L.P. and its application for real estate in Terre Haute, Indiana.

I also reviewed the tax abatement with Yvonne Avary of the Board of the Apartment Association, who advised that the Association, as an organization, will not oppose the tax abatement.

I would appreciate your comments or questions.

Thank you for your consideration.

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PURSUANT TO THE FAIR DEBT COLLECTION PRACTICES ACT, YOU ARE ADVISED THAT THIS LAW FIRM IS A DEBT COLLECTOR AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE IN ATTEMPTING TO COLLECT A DEBT.

EXHIBIT B

Description of Real Estate

All parcels located in Terre Haute, Indiana

- 1 Parcel ID 84-06-15-453-001.000-002, located at 1301 3rd Avenue
- 2 Parcel ID 84-06-15-453-002.000-002, located at 1305 3rd Avenue
- 3 Parcel ID 84-06-15-453-003.000-002, located at 1309 3rd Avenue
- 4 Parcel ID 84-06-14-178-015.000-002, located at 2419 Buckeye Street
- 5 Parcel ID 84-06-14-381-021.000-002, located at 2430 2nd Avenue
- 6 Parcel ID 84-06-27-159-001.000-002, located at 902 S. 9th Street
- 7 Parcel ID 84-06-27-159-006.000-002, located at 924 S. 9th Street
- 8 Parcel ID 84-06-27-202-013.000-002, located at 427 S. 14th Street
- 9 Parcel ID 84-06-23-105-016.000-002, located at 2136 Elm Street
- 10 Parcel ID 84-06-22-453-014.000-002, located at 109 Gilbert Avenue
- 11 Parcel ID 84-06-22-453-015.000-002, located at 117 Gilbert Avenue
- 12 Parcel ID 84-06-27-227-023.000-002, located at 423 S. 17th Street
- 13 Parcel ID 84-06-23-105-002.000-002, located at 2109 Locust Street
- 14 Parcel ID 84-06-22-207-001.000-002, located at 1439 Elm Street
- 15 Parcel ID 84-06-23-106-010.000-002, located at 2131 Elm Street (a known designated Brownfield site)

The map displays the city of Terre Haute, Indiana, with a focus on the areas around Spencer Park and Thompson Park. Major streets shown include Grand Ave, Maple Ave, Linden St, Beech St, 7th Ave, 4th Ave, Elm St, Tippecanoe St, Wabash Ave, Ohio Blvd, Oak St, Crawford St, College Ave, and North Brown Avenue. Landmarks such as Indiana State University, Terre Haute Vigo High School, and Illiana Truck Park are labeled. The locations of Spencer Park and Thompson Park are marked with dark green teardrop shapes. Spencer Park is located north of Thompson Park, both situated between the city center and the university. The map also shows the locations of the two parks relative to the city center and the university.

- Digitized by Google

(<https://maps.google.com/maps?ll=39.474433,-87.388849&gl=US&mapclient=api3>) Map data ©2016 Google

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 cence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50
 IAC 5.1-6-9.

HISTORY:

IC 6-1.1-12.1-4.5, as added by Acts 1981,
 P.L.72, § 3; P.L.71-1983, § 5; P.L.82-1987, § 8;
 P.L.86-1988, § 6; P.L.3-1989, § 87; P.L.56-1991,
 § 2; P.L.42-1992, § 3; P.L.65-1993, § 5; P.L.25-
 1995, § 20; P.L.1-1996, § 40; P.L.4-2000, § 6;
 P.L.90-2002, § 120; P.L.245-2003, § 8; P.L.64-
 2004, § 7; P.L.81-2004, § 51; P.L.97-2004, § 20;
 P.L.154-2006, § 27; P.L.137-2007, § 3, eff. July
 1, 2007; P.L.219-2007, § 31, emergency eff. July
 1, 2007; P.L.3-2008, § 36, emergency eff. March
 13, 2008; P.L.146-2008, § 122, emergency eff.
 March 19, 2008; P.L.173-2011, § 6, emergency

eff. July 1, 2011; P.L.6-2012, § 41, emergency
 eff. February 22, 2012; P.L.288-2013, § 10,
 emergency eff. July 1, 2013; P.L.80-2014, § 3,
 emergency eff. July 1, 2015.

Amendments.

The 2014 amendment substituted "section 17
 or 18" for "section 17" wherever it appears in (c)
 and in the first sentence of the introductory
 language of (e) and substituted "Except as
 provided by section 18 of this chapter" for
 "However" in the second sentence of the intro-
 ductory language of (e).

6-1.1-12.1-5. Application for deduction for rehabilitation or redevelopment. [Effective July 1, 2016]

(a) A property owner who desires to obtain the deduction provided by section
 3 of this chapter must file a certified deduction application, on forms prescribed
 by the department of local government finance, with the auditor of the county
 in which the property is located. Except as otherwise provided in subsection (b)
 or (e), the deduction application must be filed before May 10 of the year in
 which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any
 year is not given to the property owner before April 10 of that year, the
 deduction application required by this section may be filed not later than thirty
 (30) days after the date such a notice is mailed to the property owner at the
 address shown on the records of the township or county assessor.

(c) The deduction application required by this section must contain the
 following information:

- (1) The name of the property owner.
- (2) A description of the property for which a deduction is claimed in
 sufficient detail to afford identification.
- (3) The assessed value of the improvements before rehabilitation.
- (4) The increase in the assessed value of improvements resulting from the
 rehabilitation.
- (5) The assessed value of the new structure in the case of redevelopment.
- (6) The amount of the deduction claimed for the first year of the deduc-
 tion.
- (7) If the deduction application is for a deduction in a residentially
 distressed area, the assessed value of the improvement or new structure for
 which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for
 the year in which the addition to assessed value or assessment of a new
 structure is made and in the following years the deduction is allowed without
 any additional deduction application being filed.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between January 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

(1) If:

(A) a determination about the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter; and

(B) an abatement schedule has been established under section 17 of this chapter; the county auditor shall make the appropriate deduction.

(2) If:

(A) a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter; or

(B) an abatement schedule has not been established under section 17 of this chapter;

the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed or establishing the abatement schedule, as applicable, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) The township or county assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, review the deduction application.

(j) A property owner may appeal a determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

HISTORY:

IC 6-1.1-12.1-5, as added by P.L. 89, § 1; 1979, P.L. 56, § 9; 1982, P.L. 45, § 12; P.L. 71-1-1985, § 3; P.L. 62-1986, § 3; P.L. 56-1988, § 7; P.L. 42-1992 § 6; P.L. 4-2000, § 7; P.L. 90-202003, § 9; P.L. 193-2006, § 124, emergency eff. July 1, 2003, § 13, emergency eff. July 1, 2006, § 5, effective July 1, 2016.

6-1.1-12.1-5.3. Application for building:

(a) A property owner shall file a deduction application on forms prescribed by the county auditor of the county in which the property is located, or otherwise provided in the resolution adopted under section 2.5 of this chapter before May 10 of the year for which the deduction is claimed.

(b) If notice of the deduction is given to the property owner after the date the notice is given to the property owner, the deduction application required by section 3 of this chapter shall be filed after the date the notice is given to the property owner on the records of the county auditor.

(c) The deduction application shall contain the following information:

(1) The name of the property owner's tenant.

(2) A description of the property.

(3) The amount of the deduction.

(4) Any other information that may be necessary for the county auditor to determine the amount of the deduction or the design of the building.

(d) A deduction application shall be filed for a building which is eligible for a deduction under section 3 of this chapter for a two (2) year period, or for a building which is eligible for a deduction under section 3 of this chapter for a two (2) year period.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between January 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

deduction provided by section 4.8 of this chapter within the time a deduction application is filed for which shall be applicable without any additional deduction application which would be required of this chapter if such a deduction is made with subsection (a) or (b). The county auditor shall act as follows:

years the deduction is allowed under section 2.5 of this chapter;

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ation of the county auditor the deduction by requesting county auditor not more than years the person notice of the subsection is processed and is processed and determined

HISTORY:

IC 6-1.1-12.1-5, as added by Acts 1977, P.L.69, § 1; 1979, P.L.56, § 9; 1981, P.L.72, § 4; 1982, P.L.45, § 12; P.L.71-1983, § 6; P.L.62-1985, § 3; P.L.62-1986, § 3; P.L.74-1987, § 7; P.L.56-1988, § 7; P.L.42-1992, § 4; P.L.65-1993, § 6; P.L.4-2000, § 7; P.L.90-2002, § 122; P.L.245-2003, § 9; P.L.193-2005, § 1; P.L.146-2008, § 124, emergency eff. July 1, 2008; P.L.288-2013, § 13, emergency eff. July 1, 2013; P.L.203-2016, § 5, effective July 1, 2016.

Amendments.

The 2016 amendment substituted "January 1" for "March 1" in (e); added the (f)(1)(A) and (f)(2)(A) designations; added (f)(1)(B) and (f)(2)(B); added "or establishing the abatement schedule, as applicable" in the second sentence of the concluding language of (f)(2); and made related changes.

6-1.1-12.1-5.3. Application for deduction for occupation of vacant building.

(a) A property owner that desires to obtain the deduction provided by section 4.8 [IC 6-1.1-12.1-4.8] of this chapter must file a deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the eligible vacant building is located. Except as otherwise provided in this section, the deduction application must be filed before May 10 of the year in which the property owner or a tenant of the property owner initially occupies the eligible vacant building.

(b) If notice of the assessed valuation or new assessment for a year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date the notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner and, if applicable, the property owner's tenant.

(2) A description of the property for which a deduction is claimed.

(3) The amount of the deduction claimed for the first year of the deduction.

(4) Any other information required by the department of local government finance or the designating body.

(d) A deduction application filed under this section applies to the year in which the property owner or a tenant of the property owner occupies the eligible vacant building and in the following year if the deduction is allowed for a two (2) year period, without an additional deduction application being filed.

(e) A property owner that desires to obtain the deduction provided by section 4.8 of this chapter but that did not file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between January 1 and May 10 of a subsequent year. A deduction application filed under this subsection applies to the year in which the deduction application is filed and the following year if the deduction is allowed for a two (2) year period, without an additional deduction application being filed. The amount of the deduction under this subsection is the amount that would have been applicable to the year under section 4.8 of this chapter if the deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall do the following: